

TRANSIT LABOR

OUTLINE

1. General Transit Labor Context

2. Labor-Management Innovations

(source: Harsh Jr., W, "Innovative Labor-Management Practices." TCRP Project F-2, Final Report, 1995)

3. Typical Operator Contract Terms

4. Part-Time Operators

(This discussion is heavily based on TCRP Report 68: "Part-Time Transit Operators: The Trends and Impacts," by Charles River Associates, 2001.)

5. MBTA Management Rights Legislation

General Transit Labor Context in the US

- **Transit labor is heavily unionized: ATU, TWU, UTU, Teamsters**
- **Union structure is important at national and local levels**
- **Labor protection clause in Federal legislation: 13(c)**
- **Protection of private operators from subsidized competition**
- **Traditionally adversarial relations between Labor and Management**
- **Labor side in large city contract negotiations has generally been more effective**

The Range of Labor-Management Innovations

Category

Collective Bargaining

**Quality of Work Life
and
Employee Involvement**

**Work Redesign,
Socio-technical Systems,
Self-Directed Work Teams**

**Labor-Management Partnership
and
Co-determination**

Criteria

**Joint determination of wages
and working conditions**

**Quality of Work Life, Quality Circles,
Working Conditions,
Employee Involvement**

**Autonomous Teams,
Semi-autonomous Teams,
Socio-technical Work Systems
High-Involvement Teams**

**Labor-Management Cooperation,
Joint Labor-Management Structures,
Joint Committees, Employee
Involvement/Participation,
Employee Ownership**

Typical Operator Contract Terms and Provisions

A. Operator Hiring and Training

- operators work in a "closed shop"
- training typically takes 3-6 weeks
- overall hiring process often takes several months
- higher turnover rates imply higher costs

B. Wage Rates and Progression

- maybe different rates for part-timers and full-timers
- "progression" is sequence from entry wage to top rate, typically over 1-3 years
- seniority privileges are key in rewarding long tenure

Typical Operator Contract Terms and Provisions

C. Part-Time Operators

- typically limited in the contract by share of all positions
- relations between part-time and full-time status

D. Vacations

- vacation time increases with seniority
- vacation time is picked in order of seniority
- single days versus weeks of vacations

E. Run Picking

- typically by seniority in the US
- may be "cafeteria style" or by "roster"

Typical Operator Contract Terms and Provisions

F. Split Runs, spread time, travel time, guarantee time, overtime

- definition of legal run types
- maximum percentage of runs by type
- pay premiums for non-straight runs

G. Disciplinary and Grievance Procedures

- progressive discipline
- steps in appealing actions and sanctions

Part-Time Operators

A. The Need

- **Large difference between peak and base service requirements**
- **Full-time operators have daily guarantees significantly greater than peak service hours**
- **The spread between the start of the AM Peak and the end of the PM Peak is greater than a typical work day**
- **Split shift premiums, overtime pay and/or guarantee pay mean that peak period operating costs with full-time operators are very expensive**

Part-Time Operators

B. The Solution

- Hire a new class of part-time operators to work just the peak periods, with lower unit costs
- Part-time operators began to be introduced in the US in the late 1970s

C. Ancillary Benefits

- Potentially increases the transit labor pool

Part-Time Operator Findings: Cost

- **Net cost savings range from 1-10% of operating costs, depending on:**
 - **peak/base service ratio**
 - **restrictiveness of full-time operator work rules**
 - **extent of concessions made in negotiations to win right to use part-timers**
- **Cost savings come from:**
 - **reduced premium and guaranteed pay**
 - **lower part-timer wages**
 - **lower part-timer fringe benefits**

Part-Time Operator Findings: General

- **Other impacts are on agency "morale" and labor relations overall**
- **Uncertain impacts on accident rates, attrition, and absenteeism**
- **Agencies have tended not to develop a staff of long-term part-timers**
- **Typically a part-time shift is a short day covering both peaks without spread premiums being paid**

Part-Time Operator Findings: General

- **Little diversity of part-time shifts**
- **No guarantee that the desired type of shift will be available in the future**
- **Training conducted during normal daytime hours**
- **Part-time positions are not attractive in good economic times:**
 - **low pay and poor benefits**
 - **difficult working hours make it hard to find other jobs**
 - **uncertain time before "promotion" to full-time status**

Part-Time Operator Benefits — Percentage of Agencies

	1996 PTO Benefits Compared to FTO (per hours worked)		
Benefit	Same	Lower	None
Sick leave	15%	8%	77%
Holiday pay	15%	35%	50%
Vacation	19%	23%	58%
Health insurance	13%	33%	54%
Retirement	25%	17%	58%

Source: Study team analysis of 1998 survey responses.

Recommendations

- **Restructure caps on part-timers in terms of hours rather than bodies**
- **Create work rules and procedures to attract those who want long-term part-time employment:**
 - **stability in schedules across run cuts**
 - **offer flexible working hours and tailored duties**
 - **move to one-piece duties from two-piece duties**
 - **develop some weekend part-time work**
 - **provide training in evenings and on weekends**
- **Move to dual hiring process into part-time and full-time ranks**

MBTA Management Rights Context

- **Budgetary crisis at the MBTA**
- **Deep differences between the MBTA, the Advisory Board, and the legislature**
- **Extensive media coverage of high MBTA costs**
- **MBTA ran out of money and shut down on December 6, 1980**
- **On December 7, 1980, the Management Rights legislation was passed**

MBTA Management Rights Legislation*

Enacted in 1980 (under Section 8 of Chapter 581), gives to the MBTA Board of Directors the following inherent management rights:

- 1) to direct, appoint, employ, assign, and promote officers, agents, and employees and to determine the standards therefore;**
- 2) to discharge and terminate employees except on the basis of race, color, religion, sex, age, etc.**
- 3) to plan and determine the levels of service provided by the authority**

**** Source: Warner, Marc G., "Transit Management Rights: A Critical Appraisal and Assessment of Prospects." *Transportation Quarterly*, Vol. 42, No. 1, January 1988 (43-62).***

MBTA Management Rights Legislation (cont'd)

inherent management rights ...

- 4) to direct and evaluate the units and programs of the authority; to classify the various positions, and to ascribe duties and standards of productivity;**
- 5) to develop and determine levels of staffing and training;**
- 6) to determine whether goods or services should be made, leased, contacted for, or purchased on either a temporary or permanent basis;**
- 7) to assign and apportion overtime;**
- 8) to hire part-time employees.**

MBTA Management Rights Legislation (cont'd)

The law also imposed two more restrictions on the scope of collective bargaining. These limits, in the form of management prohibition rather than rights, included:

- 9) no pension benefit payments determined in a manner that includes an employee's amount of overtime earnings; and,**
- 10) no automatic cost-of-living salary adjustment based on changes in the Consumer Price Index or other similar adjustments**

As with the management rights, the subjects of these two restrictions could not become part of any management and labor agreements.

MBTA Management Rights Follow-up

- **The MBTA faced 25 court challenges involving Management Rights: all were unsuccessful**
- **Bases were:**
 - **law abrogated existing negotiated contracts**
 - **labor protection under 13(c)**
- **Georgia implemented a similar law to apply to MARTA but it was repealed after successful union challenge under 13(c)**

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